

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE

House Bill 1239 (Delegate Marriott. *et al.*)

Ways and Means

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**Baltimore City - Public Schools - Educational Assistants and Paraprofessional Employees - Licensing**

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This bill authorizes the Baltimore City Board of School Commissioners to require the licensure, by the State Board of Education, of educational assistants and paraprofessional employees who work in the Baltimore City Public School System. The State Board is required to develop and administer, in collaboration with the Maryland Higher Education Commission and the Baltimore City Board of School Commissioners, a program of instruction for individuals to be licensed as educational assistants or paraprofessional employees by July 1, 2000. The State Board and the Baltimore City Board of School Commissioners must review and refine the recommendations of the 1996 paraprofessional task force by July 1, 1999.

This bill takes effect July 1, 1998.

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**Fiscal Summary**

**State Effect:** General fund expenditures could increase by \$74,500 in FY 1999. Future year expenditures reflect a reduction in the number of individuals applying for a license. Special fund revenues could increase by \$20,000 in the first year that the licensing requirement goes into effect and by an indeterminate amount in future years.

(in dollars)	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
SF Revenues	-	-	-	-	-
GF Expenditures	\$74,500	\$48,200	\$49,700	\$51,200	\$52,800
Net Effect	(\$74,500)	(\$48,200)	(\$49,700)	(\$51,200)	(\$52,800)

Note: ( ) - decrease; GF - general funds; FF - federal funds; SF - special funds

**Local Effect:** Indeterminate increase in Baltimore City expenditures. Revenues would not be affected.

**Small Business Effect:** None.

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## Fiscal Analysis

**State Revenues:** Assuming the Professional Standards and Teaching Education Board imposes a certification fee for licensing educational assistants and paraprofessionals, special fund revenues could increase by \$20,000 in the first year that the licensing requirement goes into effect. This is based on a one-time \$10 certification fee and all 2,000 individuals employed as educational assistants and paraprofessionals becoming licensed. Future year revenues would increase by a minimum amount depending upon the number of individuals seeking to become licensed as an educational assistant and paraprofessional.

**State Expenditures:** General fund expenditures could increase by \$74,489 in fiscal 1999, which reflects a three-month start-up delay. This estimate reflects the cost of hiring one Staff Specialist and one Office Secretary to examine and license educational assistants and paraprofessional employees in Baltimore City and to develop an instructional program. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. The information and assumptions used in calculating the estimate are stated below:

- 2,000 educational assistants and paraprofessional employees in the Baltimore City Public School System;
- one full-time Staff Specialist and one full-time Office Secretary required in the first year to handle the licensing of all educational assistants and paraprofessional employees, and one part-time Staff Specialist and one part-time Office Secretary required in future years to handle new applicants; and
- the Maryland State Department of Education (MSDE) develops an instructional program consisting of a minimum of six courses for initial licensing.

Salaries and Fringe Benefits	\$57,844
Operating Expenses	<u>16,645</u>

**Total FY 1999 State Expenditures**      **\$74,489**

Future year expenditures reflect (1) full salaries with 3.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

MSDE advises that one full-time Staff Specialist, one part-time Staff Specialist, and one full-time Office Secretary at an annualized cost of over \$112,000 would be required each year to

handle the bill's requirements. The Department of Legislative Services contends that the number of individuals seeking to be licensed should be significantly less in future years.

**Local Effect:** The State's community colleges could provide instructional programs for individuals applying for a license pursuant to this bill. The extent of any additional local expenditures for developing instructional programs would depend upon the type of certification required for paraprofessional and educational assistants and whether existing courses could be put together to create a certification program. MSDE advises that a minimum of six courses at a cost of \$100 per course would be needed for initial licensing. If Baltimore City provides tuition reimbursement, local expenditures could increase by \$1.2 million in the first year. In addition, Baltimore City advises that licensed employees could command higher salaries, thereby increasing local expenditures even further.

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**Information Source(s):** Maryland State Department of Education, Department of Legislative Services, Baltimore City

**Fiscal Note History:** First Reader - March 9, 1998

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Analysis by: Hiram L. Burch, Jr.

Reviewed by: John Rixey

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710